

## APPENDIX A: 2014-15 CHARTER SCHOOL ANNUAL REPORT

PART 1: SCHOOL INFORMATION AND EXECUTIVE SUMMARY	
Name of Charter School:	Year School Opened:
Trailblazers Academy	1999
Street Address:	City/Zip Code:
83 Lockwood Ave.	Stamford, CT 06902
School Director:	School Director Contact Information:
<b>Miguel Pickering</b>	<b>mpickering@trailblazersacademy.org/203-977-5690</b>
Grades Authorized to Serve in 2014-15:	Charter Term:
6-8	2012-2017
<p>1. <b>Executive Summary:</b> Provide a cover letter or executive summary highlighting school progress, performance, accomplishments, and major changes during the 2014-15 school year. Include a brief narrative on the school's unique model and student population.</p>	

Trailblazers Academy has just completed the 15<sup>th</sup> year of operation. We are proud to report our accomplishments, and appreciate the support from our strategic partners, our constituents and the community of Stamford. Our small, structured, familial environment has proven to be a haven for the disenfranchised. The school is a place where at-risk students can feel safe and receive the attention they need to assure their academic success.

While we continue to struggle on State Standardized Tests, our students performance from a scale score perspective (on all tests administered) leaves us proud of our academic accomplishments and is the academic driver for our work going forward. Our data driven structure, led by weekly, subject specific data team meetings and looks, has made the school more focused and better able to educate our diverse, struggling constituents.

As a Sanctuary certified school (the only of its kind in the state of Connecticut) we continue to emphasize the social and emotional learning as a pivot for our academic undertakings. Each day, our students, who bring with them a history of trauma, begin their day with a community meeting. This process helps regarding identification of issues, vocabulary to help them understand and navigate trauma and builds a sense of belonging. Our social and emotional curriculum, held weekly, emphasizes healthy choices, while recognizing, honoring and processing their trauma.

Our Family Advocate program continues to thrive and is the driving force behind our efforts to address the social and emotional aspects of our children’s lives. The Family Advocate responsibilities are based on the outreach-worker model. They meet with each student weekly and develop action plans to address the issues, big or small, that impede student’s success. Family Advocates also visit the homes of our families to develop “Family Development Plans,” reflecting our holistic approach to ensuring family health and security. These development plans will be expanded in the coming year to include an academic component and will be renamed “Student Success Plans”.

Our after-school program, open to all students, free of charge, had another successful year. We offered courses such as music and computers and a variety of community service clubs. These activities complemented a rich, comprehensive program that includes reading instruction, homework help, team and individual athletics, and arts and crafts. Of particular note is our continued relationship with a local mental-health provider that offers free counseling to our students and their families. Our basketball team won the city championship this year.

We appreciate the support provided to us by the Connecticut State Board of Education, and we trust that the enclosed information provides further basis for the confidence you have placed in Trailblazers Academy.

**PART 2: SCHOOL PERFORMANCE**

2. **School Goals:** State the school’s mission statement. Provide the school’s mission-specific, measurable goals. Analyze school progress toward these goals, providing data as appropriate. Add/Remove rows, as necessary.

Mission Statement:

The mission of Trailblazers Academy is to successfully transition students to high school on track to go to college.

While maintaining small classes and fostering positive relationships, the school builds a strong academic foundation for each student by emphasizing core subjects, high academic standards, life skills, and character development.

Our goal for young people in our programs is to create the conditions necessary for them to get on a path toward health and opportunity so they can engage and succeed in school and ultimately have satisfying and productive lives.

Goal Statement:	Evidence of Progress toward Goal:
Increase the percentage of students demonstrating at least one grade level's growth on the STAR reading assessment	Student growth is measured within two separate categories, the first scale score witch is an interpretation of a student's overall abilities, second is student growth percentile(SGP) which is a measurement of student growth competitive to other students with in similar a demographic. In both categories there was evidence of growth, with an average increase in scale score of 81.01 and an average SGP score of 60, which puts us in the sixth percentile of growth well above the average of students within our demographic.
Increase the percentage of students demonstrating at least one grade level's growth on the STAR Math assessment	Student growth is measured within two separate categories, the first scale score witch is an interpretation of a student's overall abilities, second is student growth percentile(SGP) which is a measurement of student growth competitive to other students with in similar a demographic. In both categories there was evidence of growth, with an average increase in scale score of 33.98 and an average SGP score of 52.3, which puts us above the fiftieth percentile of growth well above the average of students within our demographic.
Decrease the number of students extricated from class, remanded to in-school suspension and out of school suspension	We incorporated PBIS into the existing discipline system as a beta test for the 2014-15 school year. We eliminated our in-school suspension room and holding room and encouraged teachers to handle incidents within the classroom.

3. Student Achievement: Provide data summarizing school performance and academic achievement. Using the blank space provided, include data evidencing student growth and progress toward closing achievement gaps, including an analysis of normed benchmark assessment data.

Performance Metric:	*2011-12:	*2012-13:	*2013-14:	2014-15:
Average daily attendance rate: See June 2015 PSIS Report for data	96.5	99.0	97.4	<b>85.4</b>
Chronic absenteeism rate: See June 2015 PSIS Report for data	6.5	2.3	0.0*	<b>66**</b>
Number of in-school suspensions:	3	3	9	<b>15</b>
Number of out-of-school suspensions:	3	6	17	<b>27</b>
Number of expulsions:	0	0	0	<b>0</b>
Percent of students with 1+ suspension/expulsion:	2.9	4.2	10.5	<b>11</b>

Cohort graduation rate (if applicable):				N/A
Holding power rate (if applicable):				N/A
Overall School Performance Index CMT (SPI):	47.1	44.1		N/A
Overall host District Performance Index CMT (DPI):	77	76.6		N/A

Our school was started to provide an avenue for at-risk students to work towards literacy competency and Math competency. Prior to attending our school students are generally disengaged, and read on average at the 3<sup>rd</sup> grade level. We attempt to reinvigorate that enthusiasm and channel their behavior and experiences towards the positive. That said, we continue to operate as an alternative program and the vagaries that our program produces.

\* The school converted attendance systems in 2013-14 and reported attendance numbers in error for that year.

\*\* 20 students were above the threshold (10%) by 3 or less days – that is an additional 16%.

4. Best Practice: In 250 words or less, summarize an emerging best practice at your school in the areas of academics, instruction, or school climate (e.g. extended instructional time, supports for English learners, positive behavior management, college access). Describe the concrete strategy and its impact on student learning and/or the school climate referencing quantitative data. Provide evidence of collaboration with local school districts in this area, as appropriate.

The written curriculum at Trailblazers Academy represents commitment to the core values of the organization and the commitment to our belief that all students can learn at high levels of academic rigor. The curriculum ~~balances the unique learning needs of individual students as well as our student body as a whole with the~~

\*Source: CSDE analysis based on district submitted and certified data.

model of curriculum design, our curriculum is aligned to state standards for learning and grade-level expectations for all Connecticut students in grades 6-8. On average our students spend 100 hours more than do their counterparts in the comprehensive middle schools and are mandated in the 6<sup>th</sup> grade to our afterschool program for further instructional assistance. As our internal data suggests, our students are achieving academically, something many had never done before.

In 2015-6 we have contracted with the ReDesign Consulting Firm to improve the quality of instruction across our school and create a superior academic management program to measure and react to student progress, our educational leaders will, in partnership with reDesign, focus on four major efforts:

- designing a performance management system;
- developing instructional leadership capacity;
- strengthening teacher capacity
- Implementing a personalized student success system that supports students in social-emotional development, academic achievement, and college-career readiness.

With regard to behavior we incorporate the Sanctuary Model, Therapeutic Crisis intervention (Cornell University) and PBIS. This combination has proven a successful model in reducing student behavior incident rates and promotes a positive learning environment.

5. Financial Documents: (1) As required by C.G.S. § 10-66cc(b)(2), submit FY 2014 certified audit statements, including the statement of activities (showing all revenues from public and private sources, expenditures, and net operating gain/loss), balance sheet, and statement of cash flows. (2) Provide the FY 2015 budget comparing submitted budget versus actual figures, with summary explanations of all major variances. (3) Provide a FY 2016 board-approved budget, summarizing all assumptions and major variances from FY 2015.

6. Financial Condition: Provide the following financial data for FY 2015.

Total margin (net income / total revenue):	.72%
Debt to asset ratio (total liabilities / total assets):	32.68%
Debt service coverage ratio (net income + depreciation + interest expense) / (principal + interest payments):	N/A
Current asset ratio (current assets / current liabilities):	1.74
Days of unrestricted cash ((total expenditures - depreciation) / 365):	11,871
Cash flow (change in cash balance):	(27,921)

7. Governing Board: Consistent with C.G.S. § 10-66bb(d)(3)(A), provide the following information for all governing board members.

Name:	Occupation:	Board Role/Term:	Mailing/Email:	Background Check:
Steve Baker	CPA	Chairman	steve.baker@cushwake.com	x <input type="checkbox"/> Yes <input type="checkbox"/> No
Curt Battles	Businessman	Member	ccbattles@optonline.net	x <input type="checkbox"/> Yes <input type="checkbox"/> No
Owen Davis	CPA	Treasurer	owen.davis@us.pwc.com	x <input type="checkbox"/> Yes <input type="checkbox"/> No
Gary Goldberg	Lawyer	Member	ggoldberg@saugatuckcapital.com	x <input type="checkbox"/> Yes <input type="checkbox"/> No
Ann Tortorella	Businesswoman	Member	tortorellaa@yahoo.com	x <input type="checkbox"/> Yes <input type="checkbox"/> No
Katie Taylor	Teacher	Secretary	ktaylor@domsukids.org	x <input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

8. **Renewal Terms and Corrective Items:** Provide an update on terms and conditions established in the charter school's most recent renewal; summarize actions taken and progress data to substantiate efforts to address such terms and conditions of renewal. Please note the chart below is pre-populated to include terms and conditions identified in the school's last renewal resolution.

Standard/Indicator:	Term or Condition:	Progress Update:
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2.4 Organizational Capacity	Bureau of Educator Standards and Certification sent a letter to the district on June 19, 2015 regarding Teacher Certification Compliance Report issues.	All issues resolved either by resignation, termination or reassignment of employees

9. **Best Practice:** In 250 words or less, summarize an emerging best practice at your school in the areas of stewardship, governance, and management (e.g., financial management, technology, school operations). Describe the concrete strategy and its impact on the school referencing quantitative data. Provide evidence of collaboration with local school districts in this area, as appropriate.

Our Board recently completed a comprehensive training program with emphasis on governance, nepotism and conflict of interest. Additionally, we have re-written our by-laws, made changes with regard to contractual procedures, obligations and oversight and have strengthened the board by adding additional members. All board members were vetted and a comprehensive background check done on all board members.

#### PART 4: STUDENT POPULATION

10. **Enrollment and Demographic Data:** Provide 2014-15 student demographic and enrollment information.

Grades Served:	6-8	Student Enrollment:	119
% Free/Reduced-Price Lunch:	89%	% Black:	50%
% Special Education:	33%	% Hispanic:	45%
% Limited English Proficiency:	0%	% Caucasian:	3%

2014-15 Enrollment by Grade Level:

PK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
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0	0	0	0	0	0	0	27	35	57	0	0	0	0	<b>119</b>								
<p><b>11. Enrollment Efforts:</b> Summarize the school’s efforts to attract, enroll, and retain a diverse and representative student population, including minority students, low-income students, English learners, and students with disabilities.</p> <p>Trailblazers Academy has a high population of Special Education students (33 and 26.7), 98% of our constituents are children of color and most (over 90%) are below the poverty line.</p>																						
<p><b>12. Waitlist Data:</b> Provide waitlist totals below, illustrating demand and community support for the school.</p> <table border="1"> <thead> <tr> <th>2011-12 Waitlist:</th> <th>2012-13 Waitlist:</th> <th>2013-14 Waitlist:</th> <th>2014-15 Waitlist:</th> </tr> </thead> <tbody> <tr> <td>8</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>															2011-12 Waitlist:	2012-13 Waitlist:	2013-14 Waitlist:	2014-15 Waitlist:	8	0	0	0
2011-12 Waitlist:	2012-13 Waitlist:	2013-14 Waitlist:	2014-15 Waitlist:																			
8	0	0	0																			
<p><b>13. Best Practice:</b> In 250 words or less, summarize an emerging best practice at your school in the areas of student populations (e.g., family and community engagement, recruitment processes, retention strategies). Describe the concrete strategy and its impact on the school referencing quantitative data. Provide evidence of collaboration with local school districts in this area, as appropriate.</p> <p>The leadership team continues to establish our community affiliations, most especially with Stamford public schools, Bridgeport Public Schools, the justice system and other alternative schools. As we get the majority of our students from these places we have maintained great relationships and an open door policy with these constituents.</p> <p>We have struggled to meet capacity over the past two years. Given that, we have replaced the leadership team, begun an aggressive recruitment campaign and solidified our relationships with the Stamford Public Schools. We believe these issues are now behind us and we have every confidence our enrollment will return to the pre-2012 numbers.</p>																						



## APPENDIX B: STATEMENT OF ASSURANCES

It is imperative that charter schools – as with all other public schools – adopt and uphold the highest ethical and legal standards while delivering excellent academic opportunities for students and their families.

As the authorized representative of Trailblazers Academy, to the best of my knowledge, I affirm that:

1. All board members and staff have satisfactorily completed background checks, including a state and national criminal records check and a record check of the Department of Children and Families Child Abuse and Neglect Registry.
2. If applicable, all charter school management organization (CMO) staff members have satisfactorily completed background checks, as described in (1)
3. All contractors, if the nature of the contractor's work entails close proximity to students in the judgment of the Governing Board, have satisfactorily completed background checks, as described in (1)
4. Records of any and all background checks are on file at Trailblazers Academy and available for random audit by the Connecticut State Department of Education (CSDE)
5. Trailblazers Academy has adopted written anti-nepotism and conflict of interest policies, and that no member or employee of the Governing Board has a personal or financial interest in any asset, real or personal, of the charter school.
6. No board member of Trailblazers Academy serves on the board of another charter school or CMO.
7. All public funds received by Trailblazers Academy have been, or are being, expended prudently and in a manner required by law.
8. All Governing Board meetings are open and accessible to the public, and that Trailblazers Academy has posted, and continues to post, on any Internet website that the Governing Board operates, the schedule, agenda, and minutes of each Governing Board meeting, including any meeting of a subcommittee of the Governing Board
9. Trailblazers Academy does not discriminate in any employment practice, education program, or educational activity on the basis of race, color, religious creed, sex, age, national origin, ancestry, marital status, sexual orientation, gender identity or expression, disability, or any other basis prohibited by Connecticut state and/or federal nondiscrimination laws.

By signing this Statement of Assurances on behalf of the Governing Board of Trailblazers Academy, I acknowledge that I understand the terms contained herein and affirm the validity of each statement to the best of my knowledge. I further understand that Trailblazers Academy may be subject to random audit by the CSDE to verify these statements.

Signature:

Governing Board Chairperson:

Joseph F. Baker

Date:

September 30, 2015



## APPENDIX C: 2016-17 PRELIMINARY ENROLLMENT REQUEST

**Directions:** On an annual basis, charter schools must submit an enrollment request for the following school year. Consistent with C.G.S. § 10-66bb(c), the State Board of Education considers enrollment requests in the context of each school’s charter and record of student achievement.

C.G.S. § 10-66bb(c)(2) places an enrollment cap on the number of students that a state charter school may enroll. However, charter schools with a demonstrated record of achievement may seek a waiver. If the submitted 2016-17 enrollment request requires an enrollment waiver, please specify that below.

1. Complete the table below providing the school’s enrollment and growth history. Submit an enrollment request and growth projections for the upcoming school year.															
School Year:	Actual Enrollment:														
	PK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
2012-13								54	61	56					171
2013-14								32	52	54					148
2014-15								35	45	58					138
2015-16								50 *	40	50					140
School Year:	2016-17 Enrollment Request:														
	PK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
2016-17								50	50	50					150
2. Based on the request entered above, is the school seeking a waiver to the enrollment cap described in C.G.S. § 10-66bb(c)(2)?														x <input type="checkbox"/> Yes <input type="checkbox"/> No	
3. Provide a rationale for the enrollment request, including a synopsis of all relevant assumptions.															
<p>Our enrollment has declined over the past two years due to some unforeseen circumstances. First, an adverse reporting of an incident in the newspaper, a decline in our enrollment efforts and poor leadership efforts in that regard made for low enrollment. We have embarked on a media campaign to dispel the adverse rumors, met with our strategic partners who have renewed their confidence in us and reestablished strong relationships with Stamford Public Schools.</p> <p>*To that end, we have recruited our largest incoming 6<sup>th</sup> grade class in years and we have returned to our 2012-13 levels.</p>															
4. Summarize the school’s plans to successfully expand and accommodate the needs of the students served (e.g., programming, staffing, facilities, and class size).															
<p>We continue to be the only middle school in the City with a free after-school program that runs 150 days of the school year. WE have mandated that all incoming 6<sup>th</sup> graders participate and have added academic assistance in the after school program. In addition, the ReDesign people have assisted in bringing more rigor to the classrooms and have helped set the tone of the building as one of academic excellence. We believe these changes will bring about increased enrollment and a return to our rightful place in the community.</p>															

## APPENDIX D: CHARTER SCHOOL PERFORMANCE FRAMEWORK

The Connecticut State Department of Education’s (CSDE) charter school performance framework promotes clear and transparent expectations for all charter schools. The four performance standards are central to measuring schools’ efficacy and viability, and align to state law and national best practices among charter school authorizers, as accumulated by the National Association of Charter School Authorizers. Within each standard area, the framework identifies a series of indicators used to evaluate charter schools. The framework drives the CSDE’s charter school accountability systems and processes, including initial approval decisions, annual monitoring, and renewal determinations.

### Performance Standards:

1. **School Performance:** Is the school a successful model resulting in strong student outcomes and a positive school climate?
2. **Stewardship, Governance, and Management:** Is the school financially and organizationally healthy and viable?
3. **Student Population:** Is the school promoting equity by effectively attracting, enrolling, and retaining students, particularly among targeted populations?
4. **Legal Compliance:** Is the school acting in compliance with applicable laws and regulations?

### Performance Standards:

### Performance Indicators:

- |  |   |
|--|---|
| 1. School Performance                      | 1.1. Student Achievement, Growth, and Gap Closure<br>1.2. Mission-Specific Goals<br>1.3. School Culture and Climate<br>1.4. Instruction<br>1.5. Academic Program<br>1.6. Supports for Special Populations |
| 2. Stewardship, Governance, and Management | 2.1. Fiscal Viability<br>2.2. Financial Management<br>2.3. Governance and Management<br>2.4. Organizational Capacity<br>2.5. Accountability Measures<br>2.6. School Facility                              |
| 3. Student Population                      | 3.1. Recruitment and Enrollment Process<br>3.2. Waitlist and Enrollment Data<br>3.3. Demographic Representation<br>3.4. Transfer/Retention Rates<br>3.5. Parental and Community Support                   |
| 4. Legal Compliance                        | 4.1. Signed Statement of Assurances<br>4.2. Open Public Meetings  |

**Trailblazers Academy, Inc.**

Financial Statements

June 30, 2014 and 2013

**INDEPENDENT AUDITORS' REPORT**

**To the Board of Directors of  
Trailblazers Academy, Inc.**

We have audited the accompanying financial statements of Trailblazers Academy, Inc., which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Trailblazers Academy, Inc. as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Prior Period Financial Statements***

The financial statements of Trailblazers Academy, Inc. as of and for the year ended June 30, 2013 were audited by other auditors whose report dated December 2, 2013 expressed an unmodified opinion on those financial statements.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2014, on our consideration of Trailblazers Academy, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Trailblazers Academy, Inc.'s internal control over financial reporting and compliance.

*O'Connor Davies, LLP*

Stamford, Connecticut  
November 21, 2014

**Trailblazers Academy, Inc.**

Statements of Financial Position

	June 30,	
	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
Cash	\$ 341,989	\$ 369,910
Accounts and grants receivable	106,915	85,772
Due from affiliates, net	300,588	227,901
Prepaid expenses	27,023	21,218
Property and equipment, net	<u>12,050</u>	<u>19,044</u>
	<u>\$ 788,565</u>	<u>\$ 723,845</u>
 <b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 53,008	\$ 54,743
Accrued payroll and related expenses	<u>204,670</u>	<u>169,744</u>
Total Liabilities	<u>257,678</u>	<u>224,487</u>
Net Assets		
Unrestricted	495,387	474,218
Temporarily restricted	<u>35,500</u>	<u>25,140</u>
Total Net Assets	<u>530,887</u>	<u>499,358</u>
	<u>\$ 788,565</u>	<u>\$ 723,845</u>

See notes to financial statements

# Trailblazers Academy, Inc.

## Statements of Activities

	For the Year Ended June 30, 2014			For the Year Ended June 30, 2013		
	Unrestricted	Temporarily		Unrestricted	Temporarily	
		Restricted	Total		Restricted	Total
<b>REVENUE AND SUPPORT</b>						
Government grants	\$ 2,440,843	\$ -	\$ 2,440,843	\$ 2,491,700	\$ -	\$ 2,491,700
Donations, in-kind	917,212	-	917,212	917,115	-	917,115
Contributions	715,233	-	715,233	530,073	-	530,073
Foundation grants	182,750	35,500	218,250	111,158	23,500	134,658
Other income	79,558	-	79,558	67,252	-	67,252
Interest income	183	-	183	740	-	740
Net assets released from restrictions	25,140	(25,140)	-	293,190	(293,190)	-
Total Revenue and Support	4,360,919	10,360	4,371,279	4,411,228	(269,690)	4,141,538
<b>EXPENSES</b>						
Program services	3,842,565	-	3,842,565	3,902,805	-	3,902,805
Management and general	460,518	-	460,518	420,184	-	420,184
Fundraising	36,667	-	36,667	32,833	-	32,833
Total Expenses	4,339,750	-	4,339,750	4,355,822	-	4,355,822
Change in Net Assets	21,169	10,360	31,529	55,406	(269,690)	(214,284)
<b>NET ASSETS</b>						
Beginning of year	474,218	25,140	499,358	418,812	294,830	713,642
End of year	\$ 495,387	\$ 35,500	\$ 530,887	\$ 474,218	\$ 25,140	\$ 499,358

See notes to financial statements

**Trailblazers Academy, Inc.**

Statements of Functional Expenses

	For the Year Ended June 30, 2014			For the Year Ended June 30, 2013				
	Program Services	Management and General	Fundraising	Total Expenses	Program Services	Management and General	Fundraising	Total Expenses
Personnel costs	\$ 2,030,046	\$ 258,984	\$ 36,667	\$ 2,325,697	\$ 2,192,662	\$ 252,756	\$ 32,833	\$ 2,478,251
Facilities costs	1,126,558	141,172	-	1,267,730	1,024,655	116,373	-	1,141,028
Professional fees	348,050	43,615	-	391,665	308,882	35,081	-	343,963
Student support services	197,797	-	-	197,797	221,950	-	-	221,950
Insurance expense	73,684	9,233	-	82,917	84,916	9,644	-	94,560
Office expenses	53,742	6,735	-	60,477	45,469	5,164	-	50,633
Depreciation expense	6,215	779	-	6,994	10,268	1,166	-	11,434
Transportation expense	4,336	-	-	4,336	4,796	-	-	4,796
Other program expenses	2,137	-	-	2,137	9,207	-	-	9,207
<b>Total Expenses</b>	<b>\$ 3,842,565</b>	<b>\$ 460,518</b>	<b>\$ 36,667</b>	<b>\$ 4,339,750</b>	<b>\$ 3,902,805</b>	<b>\$ 420,184</b>	<b>\$ 32,833</b>	<b>\$ 4,355,822</b>



**Trailblazers Academy, Inc.**

Statements of Cash Flows

	Year Ended June 30,	
	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 31,529	\$ (214,284)
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	6,994	11,434
Changes in operating assets and liabilities		
Accounts and grants receivable	(21,143)	69,945
Pledges receivable	-	245,863
Prepaid expenses	(5,805)	(2,037)
Due from affiliates	(72,687)	(90,980)
Accounts payable and accrued expenses	(1,735)	22,130
Accrued payroll and related expenses	34,926	46,244
Net Cash from Operating Activities	(27,921)	88,315
 <b>CASH</b>		
Beginning of year	369,910	281,595
End of year	\$ 341,989	\$ 369,910

See notes to financial statements

## Trailblazers Academy, Inc.

### Notes to Financial Statements June 30, 2014 and 2013

#### 1. Organization

Trailblazers Academy, Inc. ("Trailblazers"), a not-for-profit organization, is recognized by the State of Connecticut as an independent charter school in accordance with the provisions of Section 10-66bb of the Connecticut General Statutes. Trailblazers was granted a charter to operate a public school located in the City of Stamford through June 30, 2017. The mission of Trailblazers is to create a positive learning environment for students who have been unsuccessful in the traditional public school setting. Trailblazers pursues this mission by, among other things, lowering class size, lengthening the school day, providing more structure and developing strong relationships with each student and family.

Trailblazers shares corporate office space and other general and administrative costs and services with Domus Kids, Inc. ("Domus Kids") and Stamford Academy, Inc. ("Stamford Academy"), which are affiliated through common management but are each governed by a separate Board of Directors.

#### 2. Summary of Significant Accounting Policies

##### *Basis of Presentation and Use of Estimates*

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Some of the more significant estimates required to be made by management include the allowance for uncollectible receivables and allocation of certain functional expenses.

Net assets are classified as unrestricted, temporarily restricted or permanently restricted based upon the existence or absence of donor-imposed restrictions limiting the use of the contributed assets as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed restrictions.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed restrictions that either expire by the passage of time or can be fulfilled or otherwise removed by actions of Trailblazers.

Permanently Restricted Net Assets - Net assets subject to donor-imposed restrictions that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of Trailblazers.

Trailblazers did not have any permanently restricted net assets at June 30, 2014 and 2013.

**Trailblazers Academy, Inc.**

Notes to Financial Statements  
June 30, 2014 and 2013

**2. Summary of Significant Accounting Policies (continued)**

***Reclassifications***

Certain reclassifications were made to the June 30, 2013 financial statements to conform with the June 30, 2014 presentation. Such reclassifications had no effect on the June 30, 2013 net assets of Trailblazers.

***Subsequent Events Evaluation by Management***

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date the financial statements were available to be issued, which date is November 21, 2014.

***Allowance for Uncollectible Receivables***

An allowance for uncollectible receivables is estimated based on a combination of write-off history, aging analysis and any specifically known troubled accounts. Management has concluded that an allowance is not required at June 30, 2014 and 2013.

***Property and Equipment***

Property and equipment is stated at cost, or, if donated, at fair value at the date of donation. Depreciation of property and equipment is provided using the straight-line method over the estimated useful lives, which are generally between three and seven years. Purchases or donations of property and equipment of less than \$5,000 are generally expensed.

***Contributions***

Contributions are recognized when the donor makes a promise to give to Trailblazers that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are received. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires or is otherwise satisfied, temporarily restricted net assets are reclassified to unrestricted net assets.

***Revenue Recognition***

Trailblazers recognizes revenue from government grants, which are treated as exchange transactions, in the period in which the services are provided.

***Contributed Goods and Services***

Donated goods and services are recognized as contributions if the services either: a) create or enhance non-financial assets, or b) require specialized skills, are performed by people with those skills and would otherwise be purchased by Trailblazers if not donated. Numerous volunteers have donated time to Trailblazers' programs. However, the general volunteer services did not meet the criteria for recognition in the financial statements for the years ended June 30, 2014 and 2013.

**Trailblazers Academy, Inc.**

Notes to Financial Statements  
June 30, 2014 and 2013

**2. Summary of Significant Accounting Policies (continued)**

***Impairment or Disposal of Long-lived Assets***

U.S. GAAP requires that long-lived assets and certain identifiable intangible assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived assets is measured by a comparison of the carrying amount of the assets to future undiscounted net cash flows expected to be generated by the assets. No impairment losses have been recorded to date.

***Functional Expenses***

Trailblazers allocates its expenses on a functional basis among its program, management and general and fundraising activities. Expenses that can be specifically identified with a program or support service are allocated directly according to their natural classifications. Other expenses that are common to several functions are allocated based on estimates made by management. Trailblazers has adopted and follows a cost allocation plan in accordance with Connecticut state regulations.

***Accounting for Uncertainty in Income Taxes***

Trailblazers is generally exempt from income tax under 501(c)(3) of the U.S. Internal Revenue Code. Trailblazers recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that Trailblazers had no uncertain tax positions that would require financial statement recognition or disclosure. Trailblazers is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to July 1, 2011.

**3. Concentration of Risk**

Financial instruments that potentially subject Trailblazers to significant concentrations of credit risk consist principally of cash. At times, cash balances held at financial institutions may be in excess of federally insured limits. Trailblazers has not experienced any losses in its cash deposits.

A significant portion of Trailblazers' support and revenue is from government agencies. As with all government funding, these grants may be subject to reduction or termination in future years. Any significant reduction in these grants could have a negative impact on Trailblazers' program services.

Trailblazers received approximately 72% and 78% of its revenue and support from government agencies for the years ended June 30, 2014 and 2013.

**Trailblazers Academy, Inc.**

Notes to Financial Statements  
June 30, 2014 and 2013

**4. Due From Affiliates**

Due from affiliates consisted of the following at June 30:

	<u>2014</u>	<u>2013</u>
Grant due from Domus Kids	\$ 310,000	\$ -
Due (to) from Domus Kids for shared services	(104,966)	155,350
Due from Stamford Academy for shared services	<u>95,554</u>	<u>72,551</u>
Due from Affiliates, net	<u>\$ 300,588</u>	<u>\$ 227,901</u>

During the years ended June 30, 2014 and 2013 Domus Kids granted Trailblazers Academy \$310,000 and \$395,000, which is included in contribution revenue in the accompanying statements of activities. The grant due from Domus Kids was received subsequent to June 30, 2014.

The amounts due to and due from Domus Kids for shared services were paid and received subsequent to June 30, 2014 and 2013. The amounts due from Stamford Academy for shared services were received subsequent to June 30, 2014 and 2013.

**5. Property and Equipment**

Property and equipment consisted of the following at June 30:

	<u>2014</u>	<u>2013</u>
Furniture and fixtures	\$ 51,894	\$ 51,894
Computer equipment	56,477	56,477
School bus	55,908	55,908
Software	<u>57,527</u>	<u>57,527</u>
	221,806	221,806
Less accumulated depreciation	<u>(209,756)</u>	<u>(202,762)</u>
Property and Equipment, net	<u>\$ 12,050</u>	<u>\$ 19,044</u>

**Trailblazers Academy, Inc.**

Notes to Financial Statements  
June 30, 2014 and 2013

**6. Lease Commitments**

Domus Kids and the City of Stamford have an agreement for the lease of a building in Stamford, Connecticut to host Trailblazers as well as corporate offices of Domus Kids, Inc. The lease term was for a five year period through June 30, 2014, with an option to renew for four consecutive five-year terms. Domus Kids is in the process of renewing the lease agreement for the first of the four five-year lease terms with the City of Stamford. The lease agreement allows Domus Kids and Trailblazers to use approximately 80,500 square feet of space for \$1 annually in addition to paying for utilities and repair and maintenance costs. This agreement requires the City of Stamford to reimburse Trailblazers for utility expenses for the portion of the building used by the City of Stamford. The City of Stamford owed Trailblazers \$22,363 and \$18,044 for utility expenses as of June 30, 2014 and 2013, which are included in accounts and grants receivable in the accompanying statements of financial position.

Trailblazers has non cancellable operating leases for office equipment, which expire in January 2017, with aggregate lease payments of \$889 per month.

Future minimum lease payments under these operating leases are as follows for the years ending June 30:

2015	\$	10,672
2016		10,672
2017		<u>6,225</u>
Total	\$	<u>27,569</u>

**7. Donated Property and Program Supplies**

Donated property and program supplies was as follows for the years ended June 30:

	<u>2014</u>	<u>2013</u>
Included in Revenue and Support:		
Donated school space	\$ 916,413	\$ 916,413
Donated program supplies	<u>799</u>	<u>702</u>
Total Donated In-Kind Support	<u>\$ 917,212</u>	<u>\$ 917,115</u>
Included in Functional Expenses:		
Facilities costs	\$ 916,413	\$ 916,413
Other program expenses	<u>799</u>	<u>702</u>
Total Expenses	<u>\$ 917,212</u>	<u>\$ 917,115</u>

**Trailblazers Academy, Inc.**

Notes to Financial Statements  
June 30, 2014 and 2013

**8. Temporarily Restricted Net Assets**

Temporarily restricted net assets released from restrictions consisted of the following during the years ended June 30:

	<u>2014</u>	<u>2013</u>
School programs	\$ 23,500	\$ 287,363
Property and equipment	<u>1,640</u>	<u>5,827</u>
	<u>\$ 25,140</u>	<u>\$ 293,190</u>

Temporarily restricted net assets consisted of the following at June 30:

	<u>2014</u>	<u>2013</u>
School programs	\$ 35,500	\$ 23,500
Property and equipment	<u>-</u>	<u>1,640</u>
	<u>\$ 35,500</u>	<u>\$ 25,140</u>

**9. Retirement Plan**

The teachers who work for Trailblazers participate in the State of Connecticut sponsored major employee retirement system, which is administered by the Teachers' Retirement Board. Teachers are required to contribute 7.25% of their annual salary, while the State of Connecticut is required to contribute at an actuarially determined rate, which may be reduced by an act of State Legislature. Administrative costs of the plan are funded by the State of Connecticut. Trailblazers has no obligation under this plan.

Trailblazers maintains a defined contribution retirement plan as defined under Section 403(b) of the Internal Revenue Code. All employees over 21 years of age who work a minimum of 1,000 hours per year become eligible to participate immediately upon hire. Employees may make optional contributions to the plan on a tax-deferred basis up to the maximum amount allowed by the Internal Revenue Service. Trailblazers matches up to 4% of each eligible employee's compensation following one year of service for employees who contributed to the plan. Trailblazers' contributions to the plan were \$38,669 and \$39,390 for the years ended June 30, 2014 and 2013.

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Trailblazers Academy, Inc.  
Income and Expenses  
For the year ended June 30, 2015

	FY15 Budget	FY15 Actual	Variance
<b>Revenues</b>			
<b>Operating Revenue</b>			
Individual Donations	285,838	817,169	531,331 Includes grant from Domus.
Foundation	285,000	228,777	(56,223) One foundation grant not renewed.
Corporate Donations	51,000	21,102	(29,898) Some corporate donations not received.
Federal Grants	145,324	133,867	(11,457)
State Grants	1,309,000	1,315,278	6,278
City Grants	596,328	609,061	12,733
Interest Income	0	0	0
Miscellaneous Income	58,000	85,330	27,330 Reimbursements for utilities higher due to increased costs.
In-Kind Income	0	916,602	916,602 In kind not budgeted.
Total Operating Revenue	<u>2,730,490</u>	<u>4,127,186</u>	<u>1,396,696</u>
Total Revenues	<u>2,730,490</u>	<u>4,127,186</u>	<u>1,396,696</u>
<b>Personnel Services</b>			
<b>Salaries and Wages</b>			
Total Salaries and Wages	1,273,520	1,351,406	(77,886) Includes additional pay for terminated staff.
<b>Fringe &amp; Indirect</b>			
Other	777,682	772,388	5,294
Total Fringe & Indirect	777,682	772,387	5,294
Total Personnel Services	<u>2,051,202</u>	<u>2,123,793</u>	<u>(72,591)</u>
<b>Other Than Personnel Services</b>			
<b>Discretionary OTPS</b>			
Training/Conferences	2,000	977	1,023
Student Activities/Field	15,000	18,254	(3,254) Additional student activities compared to previous year.
Prof.Serv./Consulting	14,000	14,619	(619)
Equipment-Office	0	4,513	(4,513) One time equipment purchase.
Gas	2,000	3,680	(1,680)
Travel Expense	1,000	349	651
Food	8,000	12,229	(4,229) Food for faculty and staff PD.
Office Supplies	15,000	17,484	(2,484)
Instructional Supplies	20,000	22,992	(2,992)
Postage	6,500	4,062	2,438
Advertising	2,000	937	1,063
Dues & Subscriptions	3,000	600	2,400
Computers - H/S	78,000	73,543	4,457
Clothing	3,500	4,551	(1,051)
Participants' Incentives	0	1,325	(1,325)
Other Program	3,000	4,671	(1,671)
Total Discretionary OTPS	<u>173,000</u>	<u>184,787</u>	<u>(11,787)</u>
<b>Non-Discretionary OTPS</b>			
Auditing	16,000	14,650	1,350
	7,000	6,429	571
Professional	22,000	21,640	360
Family Advocacy	346,824	336,557	10,267 Staff resignations not replaced last fiscal year.
Depreciation Expense	7,000	5,355	1,645
Vehicle Maintenance	4,000	2,639	1,361
School Supplied Food	135,000	103,448	31,552
Maintenance/Cleaning	25,000	21,972	3,028
Rent	0	916,262	(916,262) In kind not budgeted.
Utilities	159,650	172,867	(13,217) Construction work increased utilities costs.
Maintenance & Repair	52,500	102,513	(50,013) Boiler repairs and A/C work done.
Telephone	4,000	3,485	516
Insurance	110,000	81,512	28,488 Workers comp rating was better than previous year.
Copy Expenses	13,500	13,998	(498)
Financial Expenses	500	0	500
Gift In-kind Expense	0	340	(340)
Total Non-Discretionary	<u>902,974</u>	<u>1,803,667</u>	<u>(900,693)</u>
Total Other Than Personnel	<u>1,075,974</u>	<u>1,988,454</u>	<u>(912,480)</u>
Total Expenses	<u>3,127,176</u>	<u>4,112,247</u>	<u>(985,071)</u>
Net Income	<u>(396,686)</u>	<u>14,939</u>	<u>411,625</u>



**Trailblazers Academy  
Fiscal Year 2015-2016 Proposed Budget**

<b>REVENUES</b>	<b>FY16 Budget</b>	<b>FY15 Actual</b>	
Individual Contributions	268,661	817,169	Includes grant from Domus.
Foundation Grants	217,500	228,777	
Corporate Contributions	36,250	21,102	
Federal Grants	135,115	133,867	
State Grants	1,375,000	1,315,278	Student budgeted at 125 compared to 119 in FY15.
City Grant	588,840	609,061	
Interest	-	-	
Miscellaneous Income	85,000	85,330	
<b>Total Revenues</b>	<b>2,706,366</b>	<b>3,210,584</b>	
<b>EXPENSES</b>			
<b>Personnel Services</b>			
Direct Salaries	1,249,451	1,351,406	New hires at lower salaries.
Direct Fringe Benefits	771,030	772,388	
<i>Sub-total: Personnel Services</i>	<i>2,020,481</i>	<i>2,123,794</i>	
<b>Other Than Personnel Services</b>			
Training	2,000	977	
Field Trips\Special Events	17,000	18,254	
Professional Service/Consulting	15,000	14,619	
Program Equipment	-	4,513	One time equipment purchase.
Gas	4,000	3,680	
Travel	1,000	349	
Food	12,000	12,229	
Office supplies	17,500	17,484	
Instructional supplies	22,000	22,992	
Telephone	4,000	3,485	
Postage	6,500	4,062	
Advertising	2,000	937	
Dues and subscriptions	3,000	600	
Computers - Hardware/software	15,000	73,543	One time technology grant.
Clothing	5,000	4,551	
Participant incentives	-	1,325	
Other program expenses	4,409	4,671	
<i>Sub-total: Discretionary OTPS</i>	<i>130,409</i>	<i>188,271</i>	
Audit	16,000	14,650	
Bookkeeping/Accounting	7,000	6,429	
IT Services	20,800	21,640	
Family Advocate Services	387,291	336,556	Staff terminations not replaced last fiscal year.
Depreciation	7,000	5,355	
Vehicle maintenance	4,000	2,639	
School Supplied Food	130,000	103,448	
Maintenance/cleaning supplies	25,000	21,972	
Utilities	170,000	172,867	
Maintenance and repairs	75,000	102,513	
Insurance	70,000	81,512	
Copy Expenses	13,500	13,998	
Finance charges	-	-	
In-Kind expenses	-	-	
<i>Sub-total: Non-discretionary OTPS</i>	<i>925,591</i>	<i>883,579</i>	
<i>Sub-total: OTPS</i>	<i>1,056,000</i>	<i>1,071,850</i>	
<b>Total Expenses</b>	<b>3,076,481</b>	<b>3,195,644</b>	
<b>Surplus/Deficit</b>	<b>(370,115)</b>	<b>14,940</b>	